

Appeal No. VA94/3/098

**AN BINSE LUACHÁLA**  
**VALUATION TRIBUNAL**  
**AN tACHT LUACHÁLA, 1988**  
**VALUATION ACT, 1988**

**Spillane's Agri Services**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Store at Map Ref: 2Raz, Townland: Dromidclogh West, ED: Kinneigh, RD: Dunmanway,  
Co. Cork  
Quantum - Location

**B E F O R E**  
**Mary Devins**

**Solicitor (Acting Chairman)**

**Paddy Farry**

**Solicitor**

**Joe Carey**

**PC DDSc DBAdm MIAVI**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 25TH DAY OF OCTOBER, 1995**

By Notice of Appeal dated the 3rd day of November 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £80 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that:-

"the valuation is excessive."

**The Property:**

The property is located in a rural area with frontage to the Bandon to Bantry road, close to the Carbery Milk Products factory and approximately 2 miles west of Ballineen.

The property is a substantial building with an extensive yard covered with concrete and hardcore. The building has 20 foot eaves and single skin metal deck roof over felt. The yard extends to 8,638 sq.ft. The hardcore yard close to the road extends to 29,062 sq.ft.

**Valuation History:**

The property was first valued at 1993/4 Revision of valuation. The valuation was fixed at £105 which was appealed. At first appeal this valuation was reduced to £80. It is against this determination that an appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 20th day of October 1995 from Mr. Aidan Boland, FRICS, FSCS on behalf of the appellant.

In his written submission Mr. Boland described the property. He said that it was situated in an area which was sparsely populated with mainly small holdings of poor agricultural land. He said that the property is a detached single storey warehouse set back from the roadway with hardcore standing and circulation to the front. He described the headroom as 22 feet and he said that it was accessed by three steel roller shutter loading doors. The accommodation he said was 10,578 sq.ft. and the property was held freehold. Mr. Boland set out his opinion of rateable valuation as follows:

**Opinion of Net Annual Value**

A. Based on the rental value assessed by reference to the comparisons in our opinion the net annual value of the property at November 1988

£8,500 per annum.

This is calculated as follows:

Warehouse	10,578 sq.ft. @ £0.80 psf	£8,462
	Say	£8,500 per annum.

**B. By rentalising the capital cost**

Cost of construction	£60,000	
Cost of site	£ 5,000	£65,000

Rentalised at 10%

Rent £ 6,500 per annum.

Applying the agreed fraction of 0.005 to the median figure £7,500 implies a rateable valuation of £37.

Mr. Boland said that the following points were relevant to a consideration of net annual value:

- (1) The warehouse was built with the object of storing intervention milk powder which market had subsequently collapsed and building has been vacant since the date of construction.
- (2) The building is suitable for conversion to other warehouse uses but despite a prolonged promotional campaign a tenant had not been found. The property has no services and no natural light.

Mr. Boland offered five comparisons which are summarised below:-

- (1) **Unit 3, Seafield Business Centre, Youghal, Co. Cork**  
7,000 sq.ft @ £0.82 psf. Similar type building
- (2) **Unit B,D,E,F Seafield Business Centre, Youghal, Co. Cork**  
29,256 sq.ft. @ £0.66 psf.
- (3) **Dwyers Road, Middleton, Co. Cork**  
Factory & warehouse 23,620 sq.ft. @ £0.65 psf.
- (4) **Mark Eire B.V., Macroom, Co. Cork**  
Original Building 10,470 sq.ft. @ £1.00 psf  
New extension 19,322 sq.ft. @ £1.38 psf

Reduced from rateable valuation £250 to £225. Agreed with Valuation Office in October 1994. A superior building.

- (5) **North Mall, Cork**  
22,500 sq.ft. @ £1.06 psf.  
This property has city centre location and better headroom and access.

A written submission was received on the 19th day of October 1995 from Mr. Liam Cahill on behalf of the respondent.

In his written submission Mr. Cahill described the property and its valuation history as set out above. He set out his calculation of rateable valuation as follows:-

"There is very limited rental evidence available for properties of this type. Generally such buildings are constructed for owners occupation.

Stores	10,578 sq.ft. @ £1.25 psf
Concrete yard	8,638 sq.ft. @ £0.10 psf
Hardcore yard	29,062 sq.ft. @ £0.05 psf

Net Annual Value	£15,540
Rateable Valuation @ 0.5%	£78.00
Say	£80.00."

Mr. Cahill offered five comparisons to support his valuation which are summarised below:-

**(1) Ceramics Ireland Limited**

Map Ref: 2H.9C

RD: Schull

Factory and offices 8,200 sq.ft. @ £1.50 psf

Property located in a rural area 3 miles north of Ballydehob.

**(2) Mark Eire B.V.**

Map Ref: 15F

Factory premises located half mile from village of Coolea in a remote and isolated area.

Rateable valuation agreed at 1993/4 First Appeal. The agreed rateable valuation of £225 equated £45,000 net annual value and devalues:-

Old offices and production	12,917 sq.ft. @ £1.25 psf
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New warehouse	19,380 sq.ft. @ £1.45 psf
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Buildings of basic construction. Remote location.

**(3) Nutrition Supplies & Services Ireland Limited**

Map Ref: 1E.2B

Located close to village of Inishannon. Buildings are functional. Rateable valuation

agreed at 1993/4 First Appeal. Rateable valuation of £115 equated to a net annual value of £23,000 devalued as:-

Factory/stores	12,073 sq.ft. @ £1.50 psf
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Poor stores	509 sq.ft. @ £1.00 psf.
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**(4) Sean O'Neill, Commercial & Plant Services**

Map Ref: 2Gb

Property comprises truck repair workshop located off the Dunmanway to Bandon road. Rateable valuation was the subject of first appeal in 1994. No change made to the revised valuation of £30 which equated to a net annual value of £6,000.

Devalues as:-

Workshop 4,200 sq.ft. @ £1.00 psf.

**(5) P.J. Murray Eng. Co. Ltd**

Map Ref: 2L

Townland: Cloonties East

Property comprises stores and workshop for the repair of agricultural machinery. Rateable valuation of £35 equated to a net annual value of £7,000 determined at 1990/4 First Appeal and devalues as:-

Workshop/stores 7,170 sq.ft. @ £1.00 psf.

The buildings were constructed primarily with the use of second-hand materials.

**Oral Hearing:**

The oral hearing took place in Cork on the 25th day of October 1995. Mr. Aidan Boland of Messrs. Lisney, Chartered Surveyors appeared on behalf of the appellant and Mr. Liam Cahill appeared for the respondent.

Mr. Boland referring to his written submission stressed that the subject premises had been constructed solely for the object of storing intervention milk powder. He went on to explain that since the intervention market collapsed the building had been vacant in spite of intensive efforts to let it.

Mr. Boland disputed the comparative evidence adduced by Mr. Cahill and expressed some reservations about the basis on which those agreements were reached.

Mr. Cahill relied on his comparisons and submitted that they were relevant in that they were all within a short distance of the subject property and had been recently revised.

While accepting that the property had been vacant for some time, Mr. Cahill submitted that it was a purpose built premises and had a high profile location on the main road from Bandon to Bantry.

Mr. Cahill submitted that the rateable valuation should remain as the property had potential and that the situation in relation to letting could change.

**Determination:**

The Tribunal accepts the comparisons put forward by the respondent, particularly in view of the fact that they are similar type properties in the vicinity of the subject.

It is however, undeniable that the subject by virtue, it would seem, of its location, is proving difficult to let and in the circumstances the Tribunal must value the property "*rebus sic stantibus*".

Taking into account all of the evidence adduced in relation to comparisons, location and the history of the building, the Tribunal is of the opinion that the correct rateable valuation of the subject property is £65 and so determines.